

HB 5780 Testimony before the Local, Intergovernmental and Regional Affairs Committee  
September 27, 2012

Thank you for the opportunity to testify before you today regarding House Bill 5780. The City of Wyoming opposes this Bill.

Wyoming has five bargaining units, three of which are eligible to participate in compulsory arbitration of labor disputes under Public Act 312 of 1969. Last year, when Public Act 54 was adopted by the State, we were disappointed that some control of negotiations was being taken away from local units of government, but we recognized that the provisions of the Act may be an incentive for bargaining units to settle contracts more expeditiously. Furthermore, we were pleased that the Act did not distinguish between Act 312 units and non-Act 312 units and, in fact, prohibited an arbitration panel from ordering any retroactive wage or benefit levels or amounts that are greater than those in effect on the expiration date of the collective bargaining agreement.

Recently the City of Wyoming and its Wyoming City Employees Union worked diligently and cooperatively to address employee benefits. This is the third contract, spanning over eleven years that this bargaining unit has agreed to concessions. The contract was settled approximately two months after it had expired and during that time employees did not receive step increases and retroactivity was not given, in accordance with Public Act 54 of 2011.

The City is currently in negotiations with the Firefighters Union and the Police Command Union, both of which are eligible to participate in Act 312 arbitration. These units are aware that under Act 54 of 2011, they will not receive step increases or retroactive pay. Employees in these Unions are also paying the full amount of the increase of insurance benefits, in accordance with Act 54.

Of utmost concern to the City with House Bill 5780 is the additional disparate treatment that will occur between Act 312 and non-Act 312 units. Labor relations are already difficult because of some bargaining units being eligible for Act 312 arbitration and receiving wages and benefits through that process that other units may not receive. House Bill 5780 would only add to that problem because it would exclude the Act 312 units from the provisions of Act 54.

Additionally, the administrative time and costs related to refunding money that was withheld for the full amount of the increase in insurance would be detrimental to the City. It is not as simple as issuing a refund, these monies were withheld pre-tax and would require a significant amount of time and effort to ensure employee's pay and taxes as well City tax filings are corrected.

Act 54 of 2011 sought to address an environment where it was believed there was little incentive for Unions to truly bargain and it is frustrating that a revision to that Act, solely for Act 312 units is now being proposed through House Bill 5780.

Thank you for your time.

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City of Wyoming